



Cedar Area Fire & Rescue
8907 Railroad Ave.
Cedar, MI 49621
(231) 228-5396

FIVE-YEAR BUDGET PLAN

2017-2021

The Cedar Area Fire & Rescue Board has developed the following 5-year budget plan with objectives and projections for the financial health of the department. As required by the interlocal fire department agreement, this plan will be used to guide decisions in budgeting over the next 5 years.

MISSION STATEMENT: To serve our community by providing effective emergency response services with professionalism and excellence that will minimize the loss of life and property resulting from fires, medical emergencies and other hazardous conditions.

OPERATIONAL GOALS:

- Maintain full-time staffing
- Transition to full-time chief
- Transition to limited- or full-Advanced Life Support services
- Develop two-year operating budgets based on sound historical data, within the constraints of the interlocal agreement
- Set up framework for the timely collection of cost recovery monies from applicable sources
- Maintain labor costs at 50-55% of total expenditures
- Negotiate and approve union collective bargaining agreements that can be supported by the two-year operating budgets

CAPITAL GOALS:

- Maintain all equipment in working condition, extending service life as long as feasible
- Replace brush truck, tanker and secondary ambulance within the 2017-2022 time frame
- Other necessary equipment and capital expenses that will likely need to be considered within the 2017-2022 time frame include replacing the jaws-of-life, installing a building ventilation system for truck exhaust, and replacing aging fire hose and air packs
- Evaluate future equipment needs/costs and develop plan for capital expenses necessary to fund future equipment needs
- Maintain a depreciation schedule on all equipment and offset depreciation amounts with capital improvement monies on an annual basis

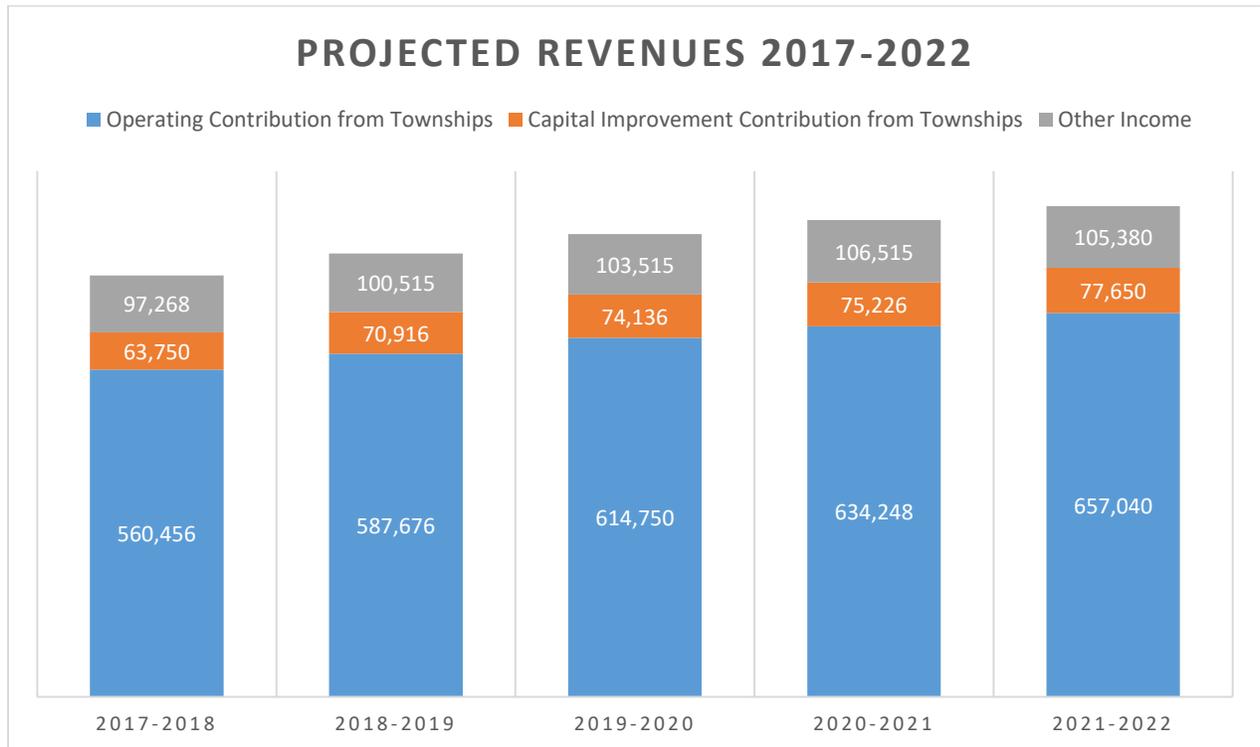


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BUDGET PROJECTION:

The department's current operational budget and financial position is sound, and has no projected shortfalls. The department will continue to operate within budget, with the operational budget expected to increase by less than 5% each year.

The capital position is less sound, with numerous aging vehicles and a capital improvement fund that was only initiated in 2016. The capital improvement fund will continue to be increased, and used to replace necessary vehicles within the department. Without accounting for withdrawals from the account to fund equipment purchases, the capital improvement fund balance as of March 31, 2022 is estimated to be \$339,984. However, an equipment needs assessment conducted in early 2017 pointed to the need to replace three major pieces of equipment within the next five years. These equipment purchases are unable to be funded solely through the existing capital improvement fund. Outside funding sources, including grants from local, state and federal agencies, will be sought to cover the cost of some of the necessary equipment and other purchases.





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PROJECTED EXPENSES 2017-2022

■ Ambulance Fund ■ Fire Fund

